

PROPOSED CORPORATE STRATEGY FORMULATION AND IMPLEMENTATION PLAN FOR PT ADHI PERSADA PROPERTI

Kenny and Harimukti Wandebori
School of Business and Management
Institut Teknologi Bandung, Indonesia
kenny@sbm-itb.ac.id

Abstract - The commercial property construction sector which includes high-rise buildings and retail spaces, is growing fast with averages growth of demand at 13% for the following years. ADHI Persada Properti is a subsidiary of ADHI Karya, a construction company owned by the Government of Indonesia specialized in commercial property construction sector. Compared with their competitor, they gained very low performance with only 0.24% of the market share in 2011. Since the company just entered the market in 2009 while the parent company targeted the company revenue to grow at 30% for the following years, the company needs to revise its strategy in order to achieve growth. This research is conducted in order to propose new strategy for ADHI Persada Properti through the strategic management process. After conducting external and internal analysis by using the PEST Analysis, Porter's Five Forces analysis, Value Chain Analysis, and Parenting-Fit Matrix, it is identified that ADHI Persada Properti have several strength, weaknesses, opportunities, and threats. To propose new strategy for ADHI Persada Properti, the SWOT Analysis, the competitive advantage matrix, the BCG matrix, the GE Business Screen, and TOWS Matrix will be used. To Implement the proposed strategy, a series of program and action plan will be developed in each functional department of ADHI Persada Properti.

1. Introduction

Construction market in Indonesia experienced significant increase which started by the increase of the national budget plan by 16.76% per annum. The commercial property construction sector which includes high-rise buildings and retail spaces, is growing fast with averages growth of demand at 13% for the following years.

A. Company Profile

ADHI Persada Properti is a subsidiary of ADHI Karya, a construction company owned by the Government of Indonesia. ADHI Persada Properti specialized in commercial property construction sector and becomes the extension of its parent company in order to handle the private clients from its parent company. ADHI Persada Properti has several portfolio of commercial property construction with its reputation of always completed their project on time without any decrease of the quality of the project finished.

B. Business Issue

Compared with their competitor, they gained very low performance with only 0.24% of the market share in 2011. Since ADHI Persada Properti only entered the market of commercial property development in 2009 and have a poor market penetration as shown as their very low market share in 2011, the company are expected to penetrate the market more in the JABODETABEK and some other area given the huge potential of growth in commercial property sector in the following years. As their parent company, ADHI Karya also targeted the company's revenue to increase for 30% constantly in the following years, ADHI Persada Properti should reformulate its strategies to survive in the intense competition and met the expectation of their stakeholders.

2. Business Issue Exploration

A. Conceptual Framework

In order to find an appropriate solution for the related business issue faced by ADHI Persada Properti, the strategic management model is used. Strategic management is set of managerial decisions and actions that determines the long-run performance of a corporation. It includes environmental scanning (both external and internal), Strategy formulation (strategic or long-range planning), strategy implementation, and evaluation and control.

The conceptual framework then translated into several steps to formulate appropriate strategies of ADHI Persada Properti which includes Scan the current environment of ADHI Persada Properti both external environment to identify the strategic factors of opportunities and threats, and internal environment to identify the strategic factors of strengths and weaknesses; Analyze the strength and weaknesses owned by ADHI Persada Properti and analyze the opportunities and threats faced by the company; Generate alternative strategies based on strength, weaknesses, opportunities, and threats; Implementing the alternative strategies.

B. External Environmental Analysis

A firm required to scan and analyze its external environment in order to identify the strategic factors in form of opportunities which can be aimed by the firm or a threats will be faced by the firm. The External Environment Analysis will include PEST Analysis, Porter's Five Forces, and Competitor Analysis

Politic-Legal Factors

The government of Indonesia promoting the reform of bureaucracy which expected to encourage the ease of establishing new business in Indonesia so that it will stimulate both local and international investors to invest in Indonesia including infrastructure related investments. The government of Indonesia also starts to organized and concentrated on discipline enforcement and corruption eradication in order to improving the government reputation. The enactment of 2004's Law no. 32 about regional autonomy in which, the central government granted freedom to each regional government to develop their own region also become the stimuli that stimulate the emergence of large scale construction project. However, the changing of political decision and regime can disrupt the working patterns of state-owned-enterprises especially state-owned-enterprises with direct contact with the national budget plan

Economic

Indonesia's emerging economic which needs supports from infrastructure development as well as supporting facilities of other economic activities. The stable economic condition also increasing the possibility to conducted long-term sustainable development. In accordance with the improvements of government reputation, it will also increasing the investor overall trust to invest in Indonesia in which characterized by the increase of foreign direct investments and the investment portfolio itself.

Socioculture

Several social issues which required to be considered which includes : Encouragement to improve bureaucracy in Indonesia in order to creating more favorable business climate; An increase in the quality of Indonesia's education giving opportunities to absorb high quality human resources. In other view, made Indonesian more critical; The enactment of the new workforces' law in which influenced the projected budget of a project

Technological

A construction company are required to able to master the newest and best technologies and construction technique in order to fulfill their customer needs of high quality construction.

Environmental

The emerging new trends in Indonesia is about global warming and climate change which caused by pollution in various sectors. Construction as one of the sectors which produce constant pollution of dust and noise is did not escapes the issue and so the issue encouraging the construction companies in Indonesia to implemented the green construction methods in their business activities.

Porter's Five Forces

The state of competition in an industry depends on five basic competitive forces which are threats of new entrants, bargaining power of suppliers, bargaining power of buyers, threats of substitute products or servuces, and rivalry among competitors. By analyzing each of these competitive forces, a firms is expected to identify their own position within the intensity of competition of the industry.

Threat of New Entrants → High

Bargaining Power of Suppliers → High

Bargaining Power of Customers → High

Threat from Substitute Product → Low

Rivalry among competitor → High

Competitor Analysis

There are very many construction company in Indonesia in various scale and various segments competing in the very attractive market which still in growth position creating a very intense competition within one and another in order to achieve significant market share.

B. Internal Environmental Analysis

The internal analysis performed in order to identify the internal strategic factors which consists of strenghts and weaknesses of the company. The outcome expected from this analysis is to determine whether the company has the appropriate strenghts with minimum weaknesses to take advantage of the opportunities offered by the market while avoding the threats. The Internal analysis are consist of two large part which is company resources and company value chain analysis.

Company Resources

Human Resources

ADHI Persada Properti currently employs 200 employees with majority background comes from technical and building construction as the very core business of ADHI Persada Properti in order to support the company operational within the property construction industry in Indonesia. Aside from own workforces, ADHI Persada Properti also receives full support from ADHI Karya in terms of transferring key human resources needed to support ADHI Persada Properti business both knowledge and management. The main human resources transferred from ADHI Karya mostly comes from Jasa Konstruksi business unit whose specialized in builing project because ADHI Persada Properti specializes in high-rise buildings and retail spaces that required knowledge and skill of building construction.

Physical Resources

ADHI Persada Properti headquartered at Jalan Raya Pasar Minggu km 17 Jakarta, Indonesia. The very same building with its parent company, ADHI Karya, in order to facilitate better communication between the parent company and its subsidiary. Also, the parent company permitted ADHI Persada Properti to fully utilize all branch offices owned by ADHI Karya accross the nation and overseas.

ADHI Persada Properti also permitted to use every construction equipment owned by ADHI Karya as well as its storage facilities in order to support the subsidiaries business operational which includes :

- Towercrane
- Alat Pancang
- Concrete Mixer & Concrete Pump
- Paving Unit
- Dozer
- Excavator
- Dumptruck

- Ponton
- Mobile Crane
- Compactor
- Computer

Intangible Resources

ADHI Persada Properti receives full support from ADHI Karya in terms in technological and know-how sharing as the company main core competence. Therefore, ADHI Persada Properti are permitted to use every technological resource and patent currently and futurely owned by ADHI Karya related to the subsidiaries scope of work. In addition to technological resources, ADHI Persada Properti also achieve work certification of ISO 140001:2004 (Certification of Environmental Management), ISO 9001:2008 (Certification of Quality Management), and OHSAS 18001:2007 (Certification of safety). These certificates will guarantee the results of project worked by the ADHI Persada Properti.

Value Chain Analysis

Primary Activities

Inbound Logistic

There are three primary activities within inbound logistic category which are; Order to specific list of supplier company according with needs provided by project design, mostly to concrete and steel company; Scheduling of the raw materials to be delivered on time; Creates a specific areal plan to store the raw materials delivered by the supplier.

Operations

There are two primary activities within operations category which are ; the company do the design of the entire project from architectural design until the complete list of raw material needed to carried the project. This activities only occur whenever the customer (owner) offered their project without specific design; the company build the project according to the specific design, either provided by the customer or designed by the company, with high precision and using high quality material within a tight schedule to ensure the project finished on the designated time decided by the customer.

Outbond Logistics

There only one primary activities within outbond logistic category which is the company delivers the finished project to the customer according to the specific date of delivery sets by the customer after a thorough inspection to ensure the project were carried with high precision and high quality. The company are proud of their reputation of always completed their project on time without any decrease of the quality.

Marketing & Sales

There are six primary activities within marketing

and sales category which divided into two section, marketing and sales :

Marketing activities includes : the company conduct a thorough analysis of the project offered by the customer. after the analysis of the project offer, the company will do the design of the entire project from architectural design until the complete list of raw material needed to carried the project. This activities only occur whenever the customer (owner) offered their project without specific design while major infrastructure project are offered with specific design. Then, the company proposed a specific financial (or design) proposal to the customer to fight within an open bidding. If the company proposal are corresponding with the customer preference and needs, the company will win the contract and able to build the project. After the project finished and delivered to the customer, the company will conduct a customer satisfaction measure in order to know how the customer feel about the company performance.

Sales activities includes : The company do a comprehensive market analysis to ensure the company will not missed the opportunity and timing to enter the market and creates an elaborate marketing strategy plan to ensure the company aim for the right segment of the market.

Service

There are three primary activities within service category which includes : On time delivery in which the company are proud of their reputation of always completed their project on time without any decrease of the quality. After delivered the project, the company performed a complete maintenance of the finished project during the project lifeline. And Repair in which the company performed a specific repair of the finished project during according to maintenance results of the finished project during the project lifeline.

Support Activities

Firm Infrastructure

ADHI Persada Properti already has a management structure to support the company business activities.

Human Resources Management

Human resources management in ADHI Persada Properti consist of recruiting, training, and compensating for all type of employee, from field staff to management level. While on work, they encouraging their employee to achieve their target within specific sets of deadline to ensure the continuaity of the company's business Process. To support and enhancing their employee capabilities, the company also follows the training conducted by parent company. The company also conduct an evaluation which conducted within a certain period of time where employee's compensation and benefits adjusted based on their evaluation result.

Technology Development

While the parent company are committed to always become a construction company which performed their best performance using advanced construction technology, high precision, high quality, and delivers the project on time, they also committed to share any of its research and technology development to ADHI Persada Properti as the subsidiaries also work on the same scope of Industry. To maximize the efficiency operational of ADHI Persada Properti, most of research and development are conducted by parent company.

Procurement

Procurement of raw material are very vital to a construction project. The materials must deliver right according the schedule created by the company to limits possibilities of having delay to complete the project. Therefore, ADHI Persada Properti must establish a very good relationship with their supplier. The company always put their care to ensures any transaction made with suppliers are paid on time. The company also ensures the continuaity of using the same supplier if the latter suceed to suits the company's specification and it's tight schedule of delivery.

Parent-Fit Matrix

Based on the current company characteristic, market targeted characteristic, and business process, ADHI Persada Properti is considered as within the Heartland Business category.

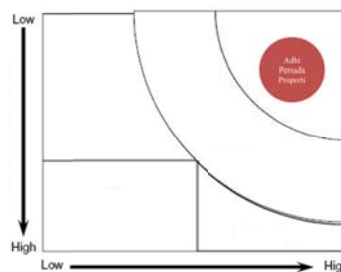


Figure 2.1 Parent-Fit Matrix

The company fit between the parent opportunities and characteristics are high and in contrary, the misfit is lower because ADHI Persada Properti funtioning as the extension of its parent company

which handles only high-rise building and retail spaces development with major customer comes from private sector while the parent company will focus more on infrastructure and EPC project. The two company are operates within the very same type of business. However, the only differences between ADHI Persada Properti and ADHI Karya are the type of building will be developed and the scale of project handled. Therefore, the company is able to perform corporate relatedness and operational relatedness with the parent company in order to minimize both time and ways for the company to operate in the market.

Corporate and Operational Relatedness

ADHI Persada Properti is the diversification form of ADHI Karya which specializes in property sector (high rise offices/apartments, retail spaces). Based on the parenting-fit matrix, ADHI Persada Properti have similiar characteristics with the parent company. Therefore, ADHI Persada Properti is able to create corporate relatedness and perform Operational Relatedness with its parent company in form of core competence transfer (Corporate Relatedness) and sharing either a primary activity such as inventory delivery systems or a support activity such as purchasing practices (Operational Relatedness) since ADHI Persada Properti are operates in the very same business type with its parent company.

SWOT Analysis

Based on the previous internal and external, it can concluded that ADHI Persada Properti are having some strengths, weaknesses, oportutinites, and threats which includes :

Strengths

- Having reputation as a construction company that always on time for finishing the project
- Already achieve several work certification
- Fully supported by parent company in form of resources sharing
- Compentence human resources
- Broad network of suppliers
- Broad network of marketing using parent company's branch office

Weaknesses

- Highly depended on suppliers
- Highly depended on Parent Company
- Have limited possessions of new technology

Opportunities

- More regulations to boost construction development (infrastructure, EPC, property)
- More condusive economic situtation which boost invetment activities in Indonesia
- High demand of property sector in Indonesia, especially in Jakarta, Bogor, Depok, Tangerang, Bekasi area (JABODETABEK)
- Invention of new construction technology

Threats

- 2014 Indonesia's General Election which can resulted on political instability
- The new workforce regulations which influenced the projected budget of a project
- Enviromental issues arises from dust and noise pollution resulted by construction project
- Many competitors

3. Business Solution

A. Strategy Formulation

After completing the analysis of external and internal environment faced by the company, The strategy formulation can be processed through three major steps which includes Inputing the basic information needed to formulate strategies by using the External Factor Analysis Summary (EFAS) & Internal Factor Analysis Summary (IFAS), Generating feasible alternative strategies by aligning the external and internal factors by using tools such as Grand Strategy Matrix, Parent-Fit Matrix, BCG Matrix, GE Matrix, and TOWS Matrix , and Formulating strategies which alternatives already generates in previous step

EFAS & IFAS

Table 3.1 External Factor Analysis Summary

External strategic factors	weight	rating	weighted score
Opportunities			
<i>More regulations to boost construction development (infrastructure, EPC, property)</i>	0.152	3	0.456
More conducive economic situation which boost investment activities in Indonesia	0.160	3	0.480
High demand of property sector in Indonesia, especially in Jakarta, Bogor, Depok, Tangerang, Bekasi area (JABODETABEK)	0.172	2	0.344
Invention of new construction technology	0.147	3	0.441
Threats			
2014 Indonesia's General Election which can resulted on political instability	0.065	4	0.260
The new workforce regulations which influenced the projected budget of a project	0.130	1	0.130
Environmental issues arises from dust and noise pollution resulted by construction project	0.104	2	0.208
Many competitors	0.070	2	0.140
Total	1.000		2.459

Table 3.2 Internal Factor Analysis Summary

Internal strategic factors	weight	rating	weighted score
Strength			
Having reputation as a construction company that always on time for finishing the project	0.210	4	0.840
Already achieve several work certification	0.151	4	0.604
Fully supported by parent company in form of resources sharing	0.131	4	0.524
Competence human resources	0.103	3	0.309
Broad network of suppliers	0.107	3	0.321
Broad network of marketing using parent company's branch office	0.105	2	0.210
Weakness			
Highly depended on suppliers	0.075	5	0.375
Highly depended on Parent Company	0.064	3	0.192
Have limited possessions of new technology	0.054	3	0.162
Total	1.000		3.537

Corporate Strategy

In order to formulate ADHI Persada Properti corporate strategy, the grand strategy matrix is used. The coordinate for the matrix are determined from the previous EFAS and IFAS table and shown below

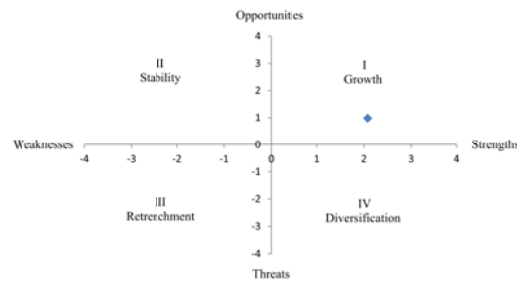


Figure 3.1 Grand Strategy Matrix

Based on the matrix, ADHI Persada Properti viewed as having the need of Horizontal Growth which defined as expanding its operations geographically and/or by increasing the range of products and services offered to current markets. Given the approval to use 26 branch offices owned by its parent company which spreads across Indonesia, ADHI Persada Properti plans to expand its operations to other major city in Indonesia which also experiences growth in property sector particularly in java island.

BCG Matrix

Based on the matrix, it is showed that Propeti business unit (ADHI Persada Properti) are on question mark quadrant as well as EPC business unit. ADHI Persada Properti must ensures their capital are suffice to fund all of their projects and, if needed, increase the capital to increase its bargaining power to got more property projects and eventually increasing their penetration and market share within the property sector.

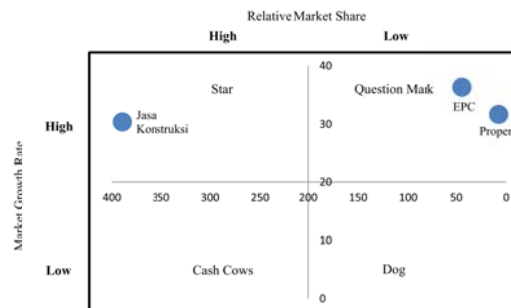


Figure 3.3 BCG Matrix

GE Bussiness Screen

Based on the GE Business Screen, it is shown that ADHI Persada Properti (Along with EPC Business unit) are in quadrant III which categorizes as question mark (Wheelen and Hunger, 2010:272). This results are the same with previous business screening using the BCG Matrix which also resulted the company are in the question marks quadrant. Question marks quadrant represent the market are growing rapidly and thus consume large amounts of cash, but because the company have low market shares they do not generate much cash. Given the low market performance, ADHI Persada Properti are still can't utilizes its best and only able to generates a small amount of profits. However, with the annual property sector growth of 30% which accounted for more than 80 trillion rupiahs, the following year demand which forecasted at the level of 35% (Colliers International, 2012) and the strong support from its parent company, ADHI Karya, in form of its operational relatedness, ADHI Persada Properti can likely achieve a significant growth in the following years. Therefore it is suggested to ADHI Persada Properti to continue its operational in the property sector.

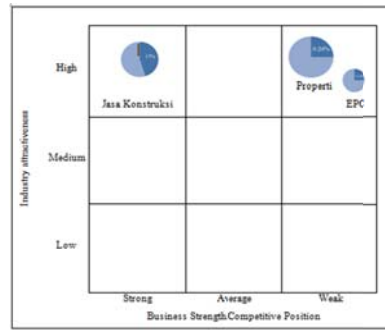


Figure 3.4 GE Business Screen

Based on the GE Business Screen, it is shown that ADHI Persada Properti (Along with EPC Business unit) are in quadrant III which categorizes as question mark (Wheelen and Hunger, 2010:272). This results are the same with previous business screening using the BCG Matrix which also resulted the company are in the question marks quadrant. Question marks quadrant represent the market are growing rapidly and thus consume large amounts of cash, but because the company have low market shares they do not generate much cash. Given the low market performance, ADHI Persada Properti are still can't utilizes its best and only able to generates a small amount of profits. However, with the annual property sector growth of 30% which accounted for more than 80 trillion rupiahs, the following year demand which forecasted at the level of 35% (Colliers International, 2012) and the strong support from its parent company, ADHI Karya, in form of its operational relatedness, ADHI Persada Properti can likely achieve a significant growth in the following years. Therefore it is suggested to ADHI Persada Properti to continue its operational in the property sector.

TOWS Matrix

TOWS Matrix illustrates how the external opportunities and threats facing by a company can be matched with the company's internal strengths and weaknesses to generate four sets of possible alternative strategies. Based on the TOWS Matrix, there are several alternative strategies suggested to ADHI Persada Properti in order to overcome the challenge on the market by taking opportunities and eliminates the threats by utilizing the company strength and minimizing the company weaknesses. They are :

SO Strategies

- Penetrate the market more in JABODETABEK area and several others city (S6)(O1)(O2)(O3)
- Strengthen the company relationship with potential new supplier (S5)(O2)
- Training the company's human resources (S4)(O4)

ST Strategies

- Maintain the company reputation through operations effectiveness as the company competitive advantage (S1)(T4)
- Achieving green company certification (S2)(T3)
- Maintain compensation balance with human resources capable to meet the company needs (S4)(T2)

WO Strategies

- Increase adoption of new technology (W3)(O4)

WT Strategies

- Maintain strong relationship with parent company (W2)(T1)

Conclusion

Based on the analysis using the Grand Strategy Matrix, Competitive Advantage Matrix, BCG matrix, GE Business Screen, and TOWS Matrix, there are several conclusion in which becoming the new proposed strategy for ADHI Persada Properti as summarized in the table below :

Table 3.3 Proposed Strategy

Function	New Strategy	
Market	Expanding operational Area	Jakarta
		Bogor
		Depok
		Tangerang
		Bekasi
		Bandung
	Cost Leaderships	
Human resources	Conducting training for human resources	
	Balancing compesation according to new regulation	
Business Development	Expanding Suppliers Network based on the new operational Area	
	Research More Technology	
Business Development	Maintain relationship with parent company	
Production	Maintain reputation by perform effectively	
	Maintain reputation by perform according to eco practices	
Finance	Raising Funds to acquire more projects	

By implementing the proposed strategy, the company is expected to achieve growth in the following years of their operational both effectively and efficiently. By expanding their market to the entire JABODETABEK area and some others city in Indonesia like Bandung, not only concentrating in Jakarta and Depok, the company will be able carrying more projects in which will improve the company overall portfolio as the demand of commercial property in these area are still growing. However, as the company take more projects, it is crucial that the company have to maintain their current operational effectiveness which already become the company main strength and becoming the foundation of their reputation. Although carrying more projects will costs the company more because they needs to financing all of their projects until the projects finished on their own, the company will have strong portfolio and reputation in which will improve the company's bargaining power whenever their future costumer are held the projects bidding. More projects carried also means more revenue received. Costs that become higher as the number of projects worked by the company increase will be balanced with the revenue which will also become higher.

By expanding to areas other than JABODETABEK area (several others city like Bandung greater area), the company also have the opportunities to reduce their cost-to-build a project as the other areas may have lower cost-to-build than JABODETABEK area, make their business proposal to their potential customer more attractive. In line with the market expansion strategy, the company efforts of establishing relationship with new suppliers in the expanding area are expected to reduce both cost of raw material's delivery and time to supplying the project's raw material as the new suppliers are on the same location with the company's operational area because there will be no distance barrier between the suppliers and the company project's site, ensuring the sustainability of raw material supply. To backed the market expansion strategy, the needs of raising the company's funds becoming crucial as the nature of the market requires the company to financing their entire projects (as well as the company's daily operational activities) on their own until the projects finished and delivered to their customers. The funds, which becoming the foundation of the company to implement the proposed strategies, will also improve the company's overall financial ability to take on more projects, which is also helping the improvement of their bargaining power whenever their potential customers are held their projects bidding in addition to the future strong portfolio of the company.

4. Implementation Strategy

Strategy Implementation is the sum of total activities required for the execution of a strategic plan. Strategies to be implemented by ADHI Persada Properti are already formulated in previous chapter which includes market expansion, human resources, operation, business development, and financial strategies.

Market Expansion Strategy

There are several activities to implementing the market expansion strategy which includes :

1. Create an elaborate market analysis to identified market opportunities in the JABODETABEK region.
2. Create an attractive business proposal to attract potential customer when the open-bidding are held.
3. Operates according to the designated timeline and expectation.

Aside from operates in JABODETABEK area, the company also seeks new potential region to operates. There are several activities in order to seeks new potential regions as target for the market expansion :

1. The company should create an elaborate market analysis to identified the market potential of new regions.
2. Evaluates the opportunities seeks through market analysis.
3. Provides resources needed to expand. Operates in the new region with periodic evaluation of the company performance.

Human Resources Strategy

The human resources strategy for ADHI Persada Properti are aimed for both short terms and long term implementation. For the short terms, the strategy are expected to increase the workforce capable to implement the company strategies and for both terms, to establish a good and harmonic relationship between the company and their workforce. There are two main programs for the human resources strategy which includes :

Workforce Training

The training programs for workforce will facilitate the workforce learning what is need includes knowledge and skill in order to impleement the technology adopted by the company. The training is not only requires for the existing workforce to increase their competence and performance but also applied to the new recruits as the industry grows fast and the company must always able to follow.

Balancing Workforce Compensation

There are several steps to implementing the new compensation program which includes :

1. Asses the workforces' current performance and capabilities.
2. Evaluate the workforces' current performance and capabilities.
3. Impelement the new compensation program.

Operation Strategy

The operation strategy are created to support the company strategy of market penetration and market expansion as well as achieve its operational effectiveness. This strategy is aimed to enhance the company operations as it becomes their main competitive advantages. There are two main programs in the operations strategy which includes :

Maintain the company current reputation through Operations Effectiveness by :

1. Create an attractive business proposal to attract potential customer when the open-bidding are held.
2. Operates according to the designated timeline and expectation.
3. Evaluates the company performance after the project finished.

And Operates According to Eco Practices by :

1. Creating an area to clean the construction-related vehicles before its leave the construction area.
2. Adding safety net to the structure of the project to minimize the possibility of material or equipment failing and to minimize the noise pollution.

Business Development Strategy

The business development strategy are created in order to support the company strategy of market penetration and market expansion as well as achieve its operational effectiveness. This strategy is expected to be able to sustain the company expansive strategy as well as the company operational effectiveness.

There are three main programs to implement the business development strategy which includes :

Increase adoption of new technology by :

1. Select the appropriate technology in accordances with the company needs
2. Trial-Run the selected technology using the company own trial facilities.
3. Applied the selected technologies.
4. Evaluate the applied technologies when the project finished in order to identify whether the new technology succeeds to improve the operational performance of the company.

Maintain strong relationship with parent company by conducting coordination meeting periodically to align their business operational activities with parent company's objectives as well as ensuring the company being profitability to the parent company.

And strengthen the company relationship with potential new supplier by :

1. Analyze potential new supplier in the location where the project will be worked.
2. Select the supplier which already passed the previous analysis.
3. Procure the raw material and use it in the project worked
4. Evaluate suppliers performance during the timeline of the project
5. Continue to use the supplier

Financial Strategy

There only activities in the financial strategy is raising funds in order to financing the entire business operations and future strategies of ADHI Persada Properti by steps :

1. Calculating and analysis the need of funds for the company own business operational as well as future expansion
2. Determined the way to provide the funds whether it will be gained by bank loans or the using parent company funds.
3. Create appropriate business proposals to be submitted to the related parties in order to acquire the funds
4. Selects the best possible source with best terms aligned with the company overall objective.

It is essential for the company to evaluate the funds usage periodically to ensure the company performed effectively and efficient.

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